



# Medicare Drug Plans: Withholding Premiums from Your Social Security Payment

## What options do I have for paying my Medicare drug plan premiums?

You have three main options for paying your Medicare drug plan premiums:

- (1) Automatic electronic monthly withdrawal from your checking or savings bank account;
- (2) Receive a direct monthly bill from the plan; or
- (3) Automatic deduction from your monthly Social Security benefit.

## I have requested automatic premium deduction from my monthly Social Security benefit. How long will it take for the automatic deduction to start?

It generally takes about two months from the time your Medicare drug plan submits the request for the premium deduction to start. This means that most of the time, the first time premiums are withheld from your Social Security benefit, two monthly premium payments will be withheld at the same time. Social Security will deduct only the cost of one monthly premium payment from your monthly Social Security benefit after that.

## Can it take longer than a couple of months for the deduction to start?

Premium deductions generally start two months after your Medicare drug plan submits the request. It can take longer if there are problems with the request. Social Security will keep track of the number of months for which premiums are due. They will withhold the total premium amount that is due the first time they make a deduction.



## **How do I pay my premiums until the automatic deduction starts?**

You don't have to pay your monthly Medicare drug plan premiums until the automatic premium deduction starts. When your request is processed, whatever premiums you owe will be withheld from your next Social Security benefit.

## **What if my monthly Social Security benefit isn't enough to cover multiple premiums at one time?**

If your monthly Social Security benefit isn't enough to cover multiple premium payments at one time, the premiums won't be deducted. Your plan will bill you directly and you can pay them directly. You also can arrange with your plan for the premiums to be automatically withdrawn from your checking or saving bank account.

## **Can I change my mind about the method I use to pay my premiums?**

Generally, the payment plan you choose when you first enroll in a Medicare drug plan remains in effect for the rest of the calendar year, unless you leave that drug plan. However, you can work with your drug plan if you have any problems that require you to change your premium payment choice.

## **What happens if I have automatic premium deduction from my Social Security benefit and I switch to a different Medicare drug plan later? Will the automatic premium deduction carry over to my new drug plan?**

No. When you enroll in your new Medicare drug plan, you will need to make a new choice about how to pay your premiums. You can again choose automatic premium deduction from your Social Security benefit. Premium deductions generally start two months after your drug plan submits the request. This means that the first time the premiums are withheld from your Social Security benefit, two monthly premium payments will be withheld. After the first time, only one monthly premium payment will be withheld from your monthly Social Security benefit.



## **I will be switching to a different Medicare drug plan. What do I need to do to stop the automatic premium deduction from my current Medicare drug plan?**

You don't need to do anything. Your enrollment in a new plan will automatically stop the premium deduction from your current drug plan. It generally takes one to two months before the premium is no longer being withheld.

## **How soon will I get a refund of any premiums that are withheld for my current plan after I enroll in a new plan? Who will the refund come from?**

If the Social Security Administration withheld the premium, Social Security will refund your premium. You should get this refund as an individual payment, separate from your regular monthly benefit, within six weeks after enrolling in a new plan.

## **What happens if I change plans and request automatic premium deductions from my Social Security benefits for my new plan, but the premium deduction from my previous plan doesn't stop?**

Social Security cannot process your request for automatic premium deduction for your new plan until the premium deduction for your previous plan is stopped. The request from your new plan will be rejected if the previous premium deduction hasn't been stopped first. Your plan will need to contact Medicare so they can find out why the new action won't take effect.

## **I believe that I have signed up for automatic withholding, but I have received a notice from my plan that I still owe premiums. What should I do?**

Contact your plan to verify what your record shows about your method of payment. If your Social Security premium withhold hasn't been set up already, and you still want Social Security to withhold premiums, you may need to pay the first few months of your premium directly to your plan. Your plan also can help you start to withhold premiums for the future.

If there is any question about whether your premium is being withheld, your plan can check this with Medicare. You can also contact Medicare directly at 1-800-MEDICARE (1-800-633-4227) and ask them to check if your premium withhold is taking place. Remember, it generally takes two months after you enroll and choose this payment option for the premium withhold to take effect.



**I am eligible for the “extra help” with prescription drug costs or limited-income subsidy, but my plan is billing me for a premium. What should I do?**

Contact your plan. The plan can check and make sure that your record correctly shows you should get extra help. Some single people with incomes over \$12,290 (or married with incomes over \$17,321) still pay reduced premiums. In these cases, you must apply for the extra help (it isn't automatic) and Medicare can help you enroll in a plan that works for you. Call 1-800-MEDICARE (1-800-633-4227) or visit [www.medicare.gov](http://www.medicare.gov) on the web for more information about extra help with your prescription drug costs.

**Where should I call if I have other questions about options for paying my Medicare drug plan premiums, or about withholding premiums from my Social Security payment?**

If you have any other questions about these issues, contact your Medicare drug plan. Their customer service number is printed on your membership card.